



General Assembly

January Session, 2007

Substitute Bill No. 1056

* _____SB01056PD_FIN032007_____*

**AN ACT CONCERNING STATE REVENUE SHARING FOR
COOPERATIVE MUNICIPAL ACTIVITIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2007, and applicable to sales*
2 *occurring on or after July 1, 2007*) (a) The Commissioner of Revenue
3 Services shall segregate one-half per cent of the sales tax revenue that
4 accrues from sales within the meaning of subdivision (2) of subsection
5 (a) of section 12-407 of the general statutes.

6 (b) Such funds segregated under subsection (a) of this section shall
7 be allocated to the State Treasurer for deposit in the General Fund.
8 Upon deposit in the General Fund, such funds shall be credited to the
9 municipal cooperation incentive account established under section 2 of
10 this act.

11 Sec. 2. (NEW) (*Effective July 1, 2007*) There is established, within the
12 General Fund, a separate, nonlapsing account to be known as the
13 "municipal cooperation incentive account". The account shall contain
14 any moneys required by law to be deposited in the account. The
15 moneys in said account shall be available to the Secretary of the Office
16 of Policy and Management for grants under section 3 of this act.

17 Sec. 3. (NEW) (*Effective July 1, 2007*) (a) As used in this section,
18 "municipal intergovernmental agency" means a regional council of

19 elected officials or regional council of governments pursuant to
20 chapter 50 of the general statutes.

21 (b) There is established a state revenue sharing program which shall
22 be administered by the Office of Policy and Management. On or before
23 January 1, 2008, and June 1, 2008, and semiannually thereafter, each
24 municipal intergovernmental agency shall be paid by the state a grant
25 equal to one-half the amount determined in accordance with the
26 provisions of subsection (c) of this section. Funds received pursuant to
27 this section shall be expended by the municipal intergovernmental
28 agency for purposes of general revenue sharing grants to member
29 municipalities for specific initiatives undertaken jointly by two or more
30 member municipalities to consolidate services and promote
31 cooperation between municipalities to achieve economies of scale and
32 lower costs, except costs of education. Grants may be used for capital
33 improvements or other costs, including shared planning costs,
34 incurred by municipalities in implementing joint initiatives. Such
35 grants shall be disbursed in accordance with an annual allocation plan
36 approved by the municipal intergovernmental agency after a public
37 hearing.

38 (c) Grants made to municipal intergovernmental agencies pursuant
39 to subsection (b) of this section shall be equal to the amount segregated
40 pursuant to section 1 of this act, multiplied by the ratio that the total
41 population, as defined in section 10-261 of the general statutes, of all
42 member municipalities of a municipal intergovernmental agency bears
43 to the total population of all municipalities in the state.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	New section
Sec. 2	<i>July 1, 2007</i>	New section
Sec. 3	<i>July 1, 2007</i>	New section

PD

Joint Favorable Subst. C/R

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